

for the cotton, and other charges as may be levied by the warehouse specific to outside-stored cotton; and

(iv) Not move such cotton after the loan application is submitted to CCC without prior written approval of the county committee. Failure of the producer to receive such permission shall subject the producer to administrative actions.

■ 5. Amend § 1427.21 by adding paragraph (d) to read as follows:

**§ 1427.21 Settlement.**

\* \* \* \* \*

(d) With respect to ELS cotton which is stored as provided in § 1427.10(e), settlement of loans shall be made based upon the determination of the quantity and quality made by CCC at the time of acceptance of the cotton by CCC at the warehouse designated by CCC as provided in § 1427.18(k).

Signed in Washington, DC, on August 7, 2003.

**Verle E. Lanier,**

*Executive Vice President, Commodity Credit Corporation.*

**Note:** The following appendix will not be published in the Code of Federal Regulations.

**U.S. Department of Agriculture**

**Commodity Credit Corporation**

Outside Storage (Cotton) Appendix to Note and Security Agreement Terms and Conditions

**PART A—TERMS AND CONDITIONS**

A producer submitting cotton to the Commodity Credit Corporation as collateral for a marketing assistance loan may store such collateral outside subject to the following terms and conditions:

(1) Collateral Identification. The producer must identify all outside-stored cotton loan collateral by providing CCC, for each individual bale, the gin code number (5-digit number) and gin bale number (gin-assigned 7-digit number) as presented to the Agricultural Marketing Service (AMS) for classification services, and the bale net weight.

(2) Collateral Location. The producer must provide CCC the address, and any additional storage location information sufficient to enable a CCC representative to locate the cotton.

(3) Initial Classification Information. The producer must provide that AMS classification information, based on bale samples collected by an AMS-approved sampler, is available to CCC.

(4) Classification Information for Forfeited ELS Cotton. In addition to submitting bale samples as required by paragraph (3) of this appendix, for all outside-stored ELS loan collateral delivered to CCC in satisfaction of the loan obligation, the producer is responsible to provide, within 30 days after the date of delivery of the cotton into a

warehouse designated by CCC, AMS classification information, based on bale samples collected by an AMS-approved sampler.

(5) Settlement. Notwithstanding provisions of paragraph 9(c) of the Note and Security Agreement Terms and Condition (form CCC-601), if the producer elects to forfeit outside-stored loan collateral in satisfaction of the amount due: (i) the value of the collateral for purposes of settlement will be determined using the applicable schedules of premiums and discounts on the basis of the classification information provided after delivery of the cotton to CCC; and, (ii) the collateral shall be delivered to CCC in the original bags with original bale identification as provided by the ginner.

(6) Settlement Charges. If the producer forfeits outside-stored ELS cotton loan collateral to CCC in satisfaction of the amount due, the producer is liable, in addition to charges included in paragraph 4 of the Note and Security Agreement Terms and Condition (form CCC-601), for (i) expenses or charges associated with the storage of the cotton during the period of the loan, and (ii) charges levied by the warehouse associated with receiving, weighing, compression, issuance of an electronic warehouse receipt, other charges as may be levied by the warehouse specific to outside-stored cotton, and for classification services as required under paragraph (4) of this appendix.

**PART B—PRODUCER CERTIFICATION**

I accept that the terms and conditions of this appendix apply to the cotton pledged as collateral for this loan. I certify that the cotton pledged as collateral for this loan is packaged in a hermetically sealed bag, packaged at a measured internal humidity level established by the gin as appropriate to safeguard cotton quality, using packaging materials that meet or exceed industry minimum standards. I further certify that the storage area is suitable for cotton storage, is constructed to prevent water accumulation under the cotton, is outside a 100-year floodplain, and is serviced by bale handling and transport equipment that will not damage the sealed bag or degrade the drainage characteristics of the storage area.

Signature of Contact Producer      Date

Signature of Other Producer      Date

Signature of Other Producer      Date

[FR Doc. 03-20879 Filed 8-15-03; 8:45 am]

**BILLING CODE 3410-05-P**

**DEPARTMENT OF AGRICULTURE**

**Commodity Credit Corporation**

**7 CFR Part 1481**

**RIN 0560-AH04**

**Sugar Beet Disaster Program**

**AGENCY:** Commodity Credit Corporation, USDA.

**ACTION:** Final rule.

**SUMMARY:** This rule implements provisions of the Agricultural Assistance Act of 2003, related to the Sugar Beet Disaster Program. This program will assist sugar beet producers who suffered production losses for either the 2001 or 2002 crop year due to weather related disasters which resulted in the prevention of planting or the reduction of quantity or quality while the beets were in the field.

**EFFECTIVE DATE:** August 18, 2003.

**FOR FURTHER INFORMATION CONTACT:**

Sharon Biastock, Production, Emergencies, and Compliance Division, Farm Service Agency (FSA), U.S. Department of Agriculture, 1400 Independence Ave. SW., Stop 0517, Washington, DC 20250-0540, telephone (202) 720-6336; e-mail address: [sharon\\_biastock@wdc.usda.gov](mailto:sharon_biastock@wdc.usda.gov).

**SUPPLEMENTARY INFORMATION:**

**Background**

This final rule implements Sec. 208 of the Agricultural Assistance Act of 2003 (Pub. L. 108-7) related to the Sugar Beet Program. The statute provides that the Secretary of Agriculture (Secretary) may use up to \$60 million of the funds of the Commodity Credit Corporation (CCC) to pay producers with sugar beet crops who were adversely affected by weather for in-field losses prior to harvest for either the 2001 or 2002 crop year, but not both, as elected by the producers. Congress set forth a clear separate funding and authorization to accommodate the specific needs of sugar beet growers. Therefore, modifications to the disaster assistance provisions for other crops have been made to meet those needs of sugar beet growers.

CCC is promulgating this rule as 7 CFR part 1481, and replacing the current regulations in that part governing the Limited California Cooperative Insolvency Payment Program (LCCIPP). The LCCIPP was authorized by section 843 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Pub. L. 106-387, 114 Stat. 1549) and

was implemented by CCC under the CCC Charter Act (15 U.S.C. 714 *et seq.*). The program made payments to producers who suffered losses on commodities produced during the 2000 crop year because of the insolvency of an agriculture cooperative in California. LCCIPP is now terminated.

#### Executive Order 12866

This final rule is issued in conformance with Executive Order 12866 and was determined to be significant and reviewed by the Office of Management and Budget.

#### Regulatory Flexibility Act

The Regulatory Flexibility Act is not applicable to this rule because USDA is not required by 5 U.S.C. 553 or any other law to publish a notice of proposed rulemaking for the subject matter of this rule.

#### Environmental Evaluation

The environmental impacts of this rule have been considered in accordance with the provisions of the national Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4321 *et seq.*, the regulations of the Council on Environmental Quality (40 CFR parts 1500–1508), and FSA's regulations for compliance with NEPA, 7 CFR part 799. To the extent these authorities may apply, CCC and FSA have concluded that this rule is categorically excluded from further environmental review as evidenced by the completion of an environmental evaluation. No extraordinary circumstances or other unforeseeable factors exist which would require preparation of an environmental assessment or environmental impact statement. A copy of the environmental evaluation is available for inspection and review upon request.

#### Executive Order 12372

This program is not subject to the provisions of Executive Order 12372, which require intergovernmental consultation with State and local officials. See the notice related to 7 CFR part 3015, subpart V, published at 48 FR 29115 (June 24, 1983).

#### Executive Order 12988

This rule has been reviewed in accordance with Executive Order 12988. This rule preempts State laws that are inconsistent with this rule. Before judicial action may be brought on this rule, the administrative remedies must be exhausted.

#### Unfunded Mandates Reform Act of 1995

Title II of the Unfunded Mandates Reform Act of 1995 is not applicable to this rule because USDA is not required by 5 U.S.C. 553 or any other law to publish a notice of proposed rulemaking for the subject matter of this rule. Further, in any case, this rule does not impose any mandates on State, local or tribal governments, or the private sector.

#### Paperwork Reduction Act

Section 217 of Public Law 108–7 requires that the promulgation of the regulations and administration of this title shall be made without regard to the notice and comment provisions of section 553 of title 5, United States Code; the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 FR 13804), relating to notices of proposed rule making and public participation in rulemaking; and 44 U.S.C. chapter 35 (the Paperwork Reduction Act (PRA)).

#### Government Paperwork Elimination Act

CCC is committed to compliance with the Government Paperwork Elimination Act, which requires Federal Government agencies to provide the public the option of submitting information or transacting business electronically to the maximum extent possible. However, the forms and other information collection activities required by participation in the Sugar Beet Disaster Program are not yet fully implemented for the public to conduct business with FSA electronically. CCC will make the application for the Sugar Beet Disaster Program available on the agency's Internet Web site. The form may be completed and saved on a computer, but must be printed, signed and submitted to an FSA County Office in paper form.

#### Federal Assistance Program

This rule affects the following FSA program listed in the Catalog of Federal Domestic Assistance: 10.073—Crop Disaster Program.

#### List of Subjects in 7 CFR part 1481

Agriculture, Sugar, Disaster Assistance.

■ Accordingly, 7 CFR part 1481 is revised as follows:

#### PART 1481—SUGAR BEET DISASTER PROGRAM

Sec.

- 1481.1 Applicability.
- 1481.2 Administration.
- 1481.3 Definitions.

- 1481.4 Producer eligibility.
- 1481.5 Sign-up period.
- 1481.6 Proof of loss.
- 1481.7 Indemnity benefits.
- 1481.8 Availability of funds.
- 1481.9 Limitations on payments.
- 1481.10 Crop insurance linkage.
- 1481.11 Miscellaneous provisions.

**Authority:** Pub. L. 106–387, 114 Stat. 1549; Pub. L. 108–7, 117 Stat. 11; 15 U.S.C. 714 *et seq.*

#### § 1481.1 Applicability.

(a) This part sets forth the terms and conditions applicable to the Sugar Beet Disaster Program.

(b) Producers who were prevented from planted sugar beets, or who suffered either quantity or quality losses in excess of 35 percent to sugar beets while in the field in 2001 or 2002 due to adverse weather will be considered eligible for benefits for either of those years, but not both.

#### § 1481.2 Administration.

Where circumstances preclude compliance with § 1481.4 due to circumstances beyond the applicant's control, the FSA county or State committee may request that relief be granted by the Deputy Administrator under this section. In such cases, except for statutory deadlines and other statutory requirements, the Deputy Administrator may, in order to more equitably accomplish the goals of this part, waive or modify deadlines and other program requirements if the failure to meet such deadlines or other requirements does not adversely affect operation of the program and are not prohibited by statute.

#### § 1481.3 Definitions.

The definitions in this section shall apply to this part.

*Application* means the Sugar Beet Disaster Program Application, as provided by and available in any FSA office.

*CCC* means the Commodity Credit Corporation.

*CDP* means the Crop Disaster Program authorized in 7 CFR part 1480.

*Deputy Administrator* means the Deputy Administrator of Farm Programs, Farm Service Agency, U.S. Department of Agriculture or a designee.

*Eligible losses* are any sugar beet losses in excess of 35 percent to either quantity or quality, that occur while the beets are still in the field and are due to adverse weather conditions.

*FSA* means Farm Service Agency.

*NAP* means the Noninsured Crop Disaster Assistance Program.

*RMA* means the Risk Management Agency.

**§ 1481.4 Producer eligibility.**

(a) Producers will be eligible under this part if they have suffered losses of more than 35 percent of sugar beets in 2001 or 2002 as a result of a weather related condition, or as further specified in this part.

(b) Payments may be made for losses suffered by an eligible producer who is now deceased or is a dissolved entity if a representative who currently has authority to enter into a contract for the producer signs the application for payment. Proof of authority to sign for the deceased producer or dissolved entity must be provided. If a producer is now a dissolved general partnership or joint venture, all members of the general partnership or joint venture at the time of dissolution or their duly authorized representatives must sign the application for payment.

(c) As a condition to receive benefits under this part, a producer must have been in compliance with the Highly Erodible Land Conservation and Wetland Conservation provisions of 7 CFR part 12, for the 2001 or 2002 crop year, as applicable, and must not otherwise be barred from receiving benefits under 7 CFR part 12 or any other law.

**§ 1481.5 Sign-up period.**

A request for benefits under this part must be submitted to CCC at the FSA county office which serves the farm on which the affected sugar beets were planted or prevented from being planted. All applications must be filed in the FSA county office between September 15, 2003 and no later than the close of business on October 31, 2003, or another date determined and announced by the Deputy Administrator.

**§ 1481.6 Proof of loss.**

(a) Where available and determined accurate, RMA loss records will be used for insured sugar beets.

(b) For producers without crop insurance, the producer must provide documentation including the number of acres, yield, production, and sugar percent by unit for 2001 or 2002.

(c) Certifications by third parties or the owner and other such documentation will not be accepted.

(d) Producers shall certify to the accuracy of the information provided. All information provided is subject to verification and spot checks by CCC. Failure to provide information requested by the FSA county committee or by any agency official is cause for denial of any application filed under this part.

**§ 1481.7 Indemnity benefits.**

(a) Eligible producers with losses in excess of 35 percent in both 2001 and 2002 will have a choice of receiving payments of either 2001 or 2002 crop year, but not both.

(b) Eligible producers with losses in excess of 35 percent in one of either 2001 or 2002 may receive benefits for that year.

(c) Eligible producers will receive payments based on the higher of the following:

(1) For producers with crop insurance, 60 percent of their crop insurance indemnity.

(2) For any producer, with or without crop insurance, 65 percent of the higher of the producer's Actual Production History (APH) or the county average yield, minus actual yield, times 55 percent of the following Multi-Peril Crop Insurance (MPCI) price elections:

(i) For 2001 crop \$36 per ton.

(ii) For 2002 crop \$33 per ton.

(3) For any producer, with or without crop insurance, 100 percent of the higher of the producer's APH or the county average yield, minus the actual yield times \$12.50 per ton.

**§ 1481.8 Availability of funds.**

(a) In the event that the total amount of eligible claims submitted under this part exceeds \$60 million, then each payment shall be reduced by a uniform national percentage or other means of proration.

(b) Such payment reductions shall be applied after the imposition of applicable per-person payment limitation provisions.

**§ 1481.9 Limitations on payments.**

(a) The total amount of benefits that a person, as determined in accordance with part 1400 of this chapter, shall be entitled to receive under this part may not exceed \$80,000.

(b) A person, as defined in part 1400 of this chapter, who has annual gross revenue in excess of \$2.5 million shall not be eligible to receive assistance under this part. For the purpose of this determination, annual gross revenue means:

(1) With respect to a person who receives more than 50 percent of such person's gross income from farming and ranching, the total gross revenue received from such operations; and

(2) With respect to a person who receives 50 percent or less of such person's gross income from farming and ranching, the total gross revenue from all sources.

(c) Payments earned under other programs contained in this chapter shall not reduce the amount payable under this part.

(d) No person shall receive disaster benefits under this part in an amount that exceeds 100 percent of the value of the expected production for the relevant period as determined by CCC.

Accordingly, as determined by CCC, the sum of the value of the crop not lost, if any, plus disaster payments, plus the net crop insurance indemnity, cannot exceed 100 percent of what the crop's value would have been if there had been no loss.

(e) All payments are subject to offsets as provided in 7 CFR part 1403.

**§ 1481.10 Crop insurance linkage.**

(a) Except as provided further in this section, any producer who elected not to purchase crop insurance or NAP coverage as applicable on 2001 or 2002 sugar beet crops for which the producer receives crop loss assistance must:

(1) Purchase crop insurance with additional coverage on that crop for the 2003 and 2004 crop years for sugar beets.

(2) Or, when such insurance cannot be obtained because it is not available, purchase NAP coverage by paying the administrative fee by the applicable State filing deadline and complete all required program requirements including yearly acreage reports, for the otherwise non-insurable sugar beet crop for both 2003 and 2004 crop years.

(b) If, at the time the producer applies for the 2001 or 2002 CDP the sales closing date for 2003 insurable crops, or for 2003 non-insurable crops for which the producer sought benefits under the 2001 or 2002 CDP has passed, the producer must instead to meet the requirement of this section, purchase crop insurance policy or obtain NAP sugar beet coverage, as applicable, for the next available 2 crop years.

(c) If any producer fails to purchase crop insurance or NAP, as required in paragraphs (a) or (b) of this section, the producer shall reimburse CCC for the full amount of the assistance, plus interest, provided to the producer under this part.

**§ 1481.11 Miscellaneous provisions.**

(a) A person shall be ineligible to receive disaster assistance under this part if it is determined by the State or county committee or an official of FSA that such person has:

(1) Adopted any scheme or other device that tends to defeat the purpose of a program operated under this part;

(2) Made any fraudulent representation with respect to such program; or

(3) Misrepresented any fact affecting a program determination.

(b) All persons with a financial interest in the operation receiving

benefits under this part shall be jointly and severally liable for any refund, including related charges, which is determined to be due CCC for any reason under this part.

(c) In the event that any request for assistance or payment under this part was established as result of erroneous information or a miscalculation, the assistance or payment shall be recalculated and any excess refunded with applicable interest.

(d) The liability of any person for any penalty under this part or for any refund to CCC or related charge arising in connection therewith shall be in addition to any other liability of such person under any civil or criminal fraud statute or any other provision of law including, but not limited to: 18 U.S.C. 286, 287, 371, 641, 651, 1001 and 1014; 15 U.S.C. 714m; and 31 U.S.C. 3729.

(e) Any person who is dissatisfied with a determination made with respect to this part may make a request for reconsideration or appeal of such determination in accordance with the regulations set forth in parts 11 and 780 of this title.

(f) Any payment or portion thereof to any person shall be made without regard to questions of title under State law and without regard to any claim or lien against the crop, or proceeds thereof.

(g) For the purposes of 28 U.S.C. 3201(e), CCC waives the restriction on receipt of funds or benefits under this program but only as to beneficiaries who as a condition of such waiver agree to apply the 2001 or 2002 sugar beet payments to reduce the amount of the judgment lien.

Signed in Washington, DC, on August 11, 2003.

**James R. Little,**

*Executive Vice President, Commodity Credit Corporation.*

[FR Doc. 03-21039 Filed 8-15-03; 8:45 am]

BILLING CODE 3410-DS-P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 25

[Docket No. NM261; Special Conditions No. 25-243-SC]

#### Special Conditions: Israel Aircraft Industries Model 1124 Airplanes; High-Intensity Radiated Fields (HIRF)

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final special conditions; request for comments.

**SUMMARY:** These special conditions are issued for Israel Aircraft Industries Model 1124 airplanes modified by Avionics Certification Services. These modified airplanes will have a novel or unusual design feature when compared to the state of technology envisioned in the airworthiness standards for transport category airplanes. The modification incorporates the installation of a dual Innovative Solutions and Support Air Data Display Unit system that performs critical functions. The applicable airworthiness regulations do not contain adequate or appropriate safety standards for the protection of this system from the effects of high-intensity radiated fields (HIRF). These special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards.

**DATES:** The effective date of these special conditions is August 7, 2003. Comments must be received on or before September 17, 2003.

**ADDRESSES:** Comments on these special conditions may be mailed in duplicate to: Federal Aviation Administration, Transport Airplane Directorate, Attention: Rules Docket (ANM-113), Docket No. NM261, 1601 Lind Avenue SW., Renton, Washington 98055-4056; or delivered in duplicate to the Transport Airplane Directorate at the above address. All comments must be marked: Docket No. NM261.

**FOR FURTHER INFORMATION CONTACT:** Steven R. Edgar, FAA, Standardization Branch, ANM-113, Transport Airplane Directorate, Aircraft Certification Service, 1601 Lind Avenue SW., Renton, Washington 98055-4056; telephone (425) 227-2025; facsimile (425) 227-1149.

#### SUPPLEMENTARY INFORMATION:

##### Comments Invited

The FAA has determined that notice and opportunity for prior public comment is impracticable because these procedures would significantly delay certification of the airplane and thus delivery of the affected aircraft. In addition, the substance of these special conditions has been subject to the public comment process in several prior instances with no substantive comments received. The FAA therefore finds that good cause exists for making these special conditions effective upon issuance; however, the FAA invites interested persons to participate in this rulemaking by submitting written comments, data, or views. The most helpful comments reference a specific

portion of the special conditions, explain the reason for any recommended change, and include supporting data. We ask that you send us two copies of written comments.

We will file in the docket all comments we receive, as well as a report summarizing each substantive public contact with FAA personnel concerning these special conditions. The docket is available for public inspection before and after the comment closing date. If you wish to review the docket in person, go to the address in the **ADDRESSES** section of this preamble between 7:30 a.m. and 4 p.m., Monday through Friday, except Federal holidays.

We will consider all comments we receive on or before the closing date for comments. We will consider comments filed late if it is possible to do so without incurring expense or delay. We may change these special conditions based on the comments we receive.

If you want the FAA to acknowledge receipt of your comments on these special conditions, include with your comments a pre-addressed, stamped postcard on which the docket number appears. We will stamp the date on the postcard and mail it back to you.

#### Background

On February 1, 2003, Avionics Certification Services, 1675 Turnberry Drive, San Marcos, California, applied for a Supplemental Type Certificate (STC) to modify Israel Aircraft Industries Model 1124 airplanes. These models are currently approved under Type Certificate No. A2SW. The Model 1124 is a transport category airplane powered by two Garrett AiResearch TFE-731-3-1G turbofan engines and has a maximum takeoff weight of 23,500 pounds. This airplane operates with a 2-pilot crew and can hold up to 10 passengers. The modification incorporates the installation of a dual Innovative Solutions and Support Air Data Display Unit (ADDU) system. The ADDU system is a replacement for the pneumatic altimeters. The avionics/electronics and electrical systems installed in this airplane have the potential to be vulnerable to high-intensity radiated fields (HIRF) external to the airplane.

#### Type Certification Basis

Under the provisions of 14 CFR 21.101, Avionics Certification Services must show that the Israel Aircraft Industries Model 1124, as changed, continues to meet the applicable provisions of the regulations incorporated by reference in Type Certificate No. A2SW, or the applicable regulations in effect on the date of